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Research Article

Explaining the Sustainability Reporting Implementation Gap in an EU Candidate Country: Evidence from Albania

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Abstract

The implementation of sustainability reporting has become one of the principal challenges accompanying the transition towards more transparent and accountable corporate reporting within the European Union. Although the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) establish a comprehensive regulatory framework, considerably less attention has been devoted to explaining why implementation gaps emerge despite progressive regulatory convergence, particularly within EU candidate countries. This study examines implementation readiness for sustainability reporting in Albania using a mixed-method research design that combines documentary analysis of the reporting practices of the country's 200 largest companies with survey evidence collected from 127 certified accounting professionals. The study investigates how regulatory readiness, corporate readiness and professional readiness interact to shape implementation capacity during the transition towards European sustainability reporting requirements. The findings demonstrate that although Albania has made significant progress in aligning its regulatory framework with European sustainability reporting developments, implementation capacity remains at an early stage of development. Corporate sustainability disclosures remain fragmented and largely inconsistent with ESRS principles, while most accounting professionals report requiring additional technical preparation before sustainability reporting can be implemented effectively. The evidence suggests that implementation readiness should be understood as a multidimensional process in which regulatory readiness, corporate readiness and professional readiness evolve at different rates, creating an implementation gap between legislative convergence and reporting practice. The study contributes to the sustainability reporting literature by proposing an Implementation Readiness Framework, which positions implementation capacity as the principal explanatory construct linking regulatory reform to reporting quality. In addition, the study provides new empirical evidence from an EU candidate country and offers a transferable analytical perspective that may support future comparative research across emerging institutional environments.

Keywords: Sustainability Reporting; Corporate Sustainability Reporting Directive (CSRD); European Sustainability Reporting Standards (ESRS); Implementation Readiness; Implementation Capacity; EU Candidate Countries; Albania.

1. Introduction and Background

The growing demand for transparent, comparable and decision-useful sustainability information has fundamentally transformed the purpose of corporate reporting worldwide (Gray et al., 1995; Adams & Frost, 2008). Rather than focusing exclusively on financial performance, companies are increasingly expected to disclose how environmental, social and governance (ESG) issues affect their long-term value creation and how their activities influence society and the environment. Consequently, sustainability reporting has evolved from a largely voluntary corporate communication practice into an essential component of corporate accountability, transparency and sustainable economic development.

Within the European Union, this transformation has accelerated through the adoption of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which establish a comprehensive and mandatory framework for sustainability disclosures (European Commission, 2022; European Commission, 2023; EFRAG, 2023). By introducing mandatory reporting requirements based on the principle of double materiality, these reforms represent one of the most significant developments in corporate reporting over recent decades. Sustainability information is no longer regarded as supplementary to financial reporting but as an integral element of corporate governance, strategic decision-making and stakeholder accountability.

Despite these regulatory developments, effective implementation remains a significant challenge (Weiner, 2009; Klein & Sorra, 1996). The introduction of mandatory reporting obligations does not automatically ensure that organisations possess the governance structures, internal reporting systems, technical expertise and professional competencies necessary to produce reliable sustainability information. Consequently, regulatory convergence may progress considerably faster than organisational adaptation, creating an implementation gap between legislative expectations and reporting practice.

This challenge is particularly relevant for European Union candidate countries. As part of the accession process, these countries progressively align their national legislation with the European acquis while simultaneously developing the institutional, organisational and professional capacities required to implement increasingly complex reporting requirements. Sustainability reporting therefore represents not only a regulatory obligation but also a broader process of institutional transformation involving regulators, companies, professional organisations and higher education institutions. Albania provides an informative case because it is simultaneously undergoing regulatory approximation with the European Union while maintaining relatively limited experience in sustainability reporting. This institutional context allows the study to observe implementation challenges during the early stages of regulatory transition.

Although sustainability reporting has attracted growing academic attention, existing

research has focused predominantly on regulatory developments, disclosure practices and reporting quality. Comparatively less attention has been devoted to explaining why implementation challenges persist despite progressive regulatory convergence, particularly within emerging institutional environments. Consequently, limited empirical evidence exists regarding how organisational and professional readiness interact with regulatory reforms to influence implementation capacity in EU candidate countries. To address this research gap, the present study examines sustainability reporting implementation readiness in Albania using a mixed-method research design that combines documentary analysis of the reporting practices of the country's 200 largest companies with survey evidence collected from 127 certified accounting professionals. Rather than asking whether sustainability reporting exists, the study investigates how regulatory readiness, corporate readiness and professional readiness interact to shape implementation capacity during the transition towards European sustainability reporting requirements.
Accordingly, the study addresses the following research question:
How do regulatory readiness, corporate readiness and professional readiness interact to influence sustainability reporting implementation capacity in an EU candidate country?
This study makes three principal contributions to the literature. First, it provides new empirical evidence on sustainability reporting implementation within an EU candidate country undergoing regulatory convergence with the European Union. Second, it develops an implementation-oriented perspective that conceptualises implementation readiness through the interaction of regulatory readiness, corporate readiness and professional readiness. Third, by integrating documentary evidence from large companies with survey data collected from accounting professionals, the study offers a more comprehensive assessment of implementation capacity than previous studies relying on a single source of evidence. The remainder of the paper is structured as follows. Section 2 reviews the relevant literature and develops the conceptual framework underpinning the study. Section 3 presents the research methodology, Section 4 reports the empirical findings, Section 5 discusses the results, and the final section concludes the paper.

2. Literature Review and Conceptual Framework

2.1 Sustainability Reporting as an Institutional Transformation

Sustainability reporting has undergone a profound transformation over the past two decades, evolving from a largely voluntary corporate communication practice into a mandatory and increasingly standardised component of corporate reporting (Gray et al., 1995; Adams & Frost, 2008; European Commission, 2023). Traditionally, corporate reporting focused primarily on financial performance and shareholder value. However, growing concerns regarding climate change, environmental degradation, social inequality and long-term business resilience have expanded stakeholder expectations, requiring organisations to disclose not only their financial performance but also their environmental, social and governance (ESG) impacts (Freeman, 1984; Carroll, 1999).

Within the European Union, this transformation has accelerated through the adoption of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which establish a comprehensive framework for sustainability disclosures based on the principle of double materiality (European Commission, 2022; European Commission, 2023; EFRAG, 2023). Unlike earlier voluntary initiatives, the CSRD and ESRS seek to enhance the consistency, comparability and decision-usefulness of sustainability information by integrating sustainability reporting into mainstream corporate reporting and governance.

This evolution reflects a broader shift in the purpose of corporate reporting. Sustainability reporting is no longer viewed merely as a voluntary corporate social responsibility activity or a reputational communication tool. Instead, it has become an essential mechanism of corporate accountability, transparency and strategic risk management (Adams, 2015). Consequently, companies are increasingly expected to explain not only how sustainability issues affect their financial performance, but also how their activities generate environmental and social impacts.

However, regulatory reform alone does not guarantee effective implementation. Preparing sustainability reports consistent with the ESRS requires organisations to establish governance structures, internal reporting systems, sustainability data management processes and professional competencies capable of producing reliable and decision-useful disclosures (Weiner, 2009; Klein & Sorra, 1996). Accordingly, sustainability reporting should be understood as both a regulatory reform and an organisational transformation.

An equally important distinction concerns the difference between formal compliance and substantive sustainability disclosure. While organisations may satisfy minimum reporting obligations by publishing legally required reports, substantive sustainability reporting requires comprehensive, measurable and materiality-based disclosures capable of supporting stakeholder decision-making (Gray et al., 1995; Adams & Frost, 2008). Consequently, the existence of sustainability-related reports does not necessarily indicate effective implementation. Organisations may comply formally with reporting requirements while remaining insufficiently prepared to produce sustainability information consistent with the objectives of the ESRS (Lozano et al., 2016).

2.2 Institutional and Organisational Drivers of Sustainability Reporting Implementation

Institutional Theory provides an important theoretical perspective for explaining why organisations increasingly adopt sustainability reporting practices. According to DiMaggio and Powell (1983), organisational behaviour is shaped by coercive, normative and mimetic pressures arising from regulatory, professional and social environments. Within the European Union, the CSRD and ESRS represent strong coercive pressures that encourage companies to align their reporting practices with emerging sustainability reporting requirements. In EU candidate countries, similar pressures arise through the process of legislative approximation with the European acquis, prompting organisations to prepare for future reporting obligations even before mandatory implementation (European Commission, 2022).

Normative pressures originate from professional accounting bodies, educational institutions, auditors and consultants, all of which influence the development of reporting practices by establishing professional standards, training programmes and implementation guidance (IFAC, 2023). Mimetic pressures further encourage organisations to imitate reporting practices adopted by multinational corporations and industry leaders. Nevertheless, imitation alone does not necessarily result in high-quality sustainability reporting, as organisations may replicate the structure of sustainability reports without developing the governance systems and internal capabilities required for substantive implementation (Suchman, 1995).

While Institutional Theory explains why organisations experience increasing pressure to adopt sustainability reporting, it does not fully explain differences in implementation outcomes. For this reason, Organisational Readiness Theory provides an important complementary perspective. Organisational readiness refers to the extent to which an organisation possesses the commitment, capabilities and resources necessary to implement organisational change successfully (Weiner, 2009). In the context of sustainability reporting, readiness depends on governance arrangements, sustainability data systems, leadership commitment, technical expertise and professional competence.

Implementation capacity therefore extends beyond general awareness of sustainability reporting. It reflects the practical ability of organisations and accounting professionals to generate reliable sustainability information, conduct materiality assessments, develop sustainability indicators and apply ESRS requirements consistently (ISSB, 2023a; IFAC, 2023). Consequently, organisations with similar regulatory obligations may demonstrate substantially different implementation outcomes depending on their internal capabilities and professional preparedness. Together, Institutional Theory and Organisational Readiness Theory suggest that regulatory convergence represents only the first stage of sustainability reporting implementation, while organisational capabilities ultimately determine implementation quality.

2.3 Sustainability Reporting Implementation Readiness: Conceptual Framework

Building upon these theoretical perspectives, this study conceptualises sustainability reporting implementation as a multidimensional process rather than a direct consequence of regulatory reform. Existing literature suggests that implementation challenges frequently arise because regulatory developments progress more rapidly than the organisational and professional capacities required to support effective reporting (Klein & Sorra, 1996; Weiner, 2009). This divergence creates what implementation research commonly describes as an implementation gap.

Within the sustainability reporting context, the implementation gap may manifest through several interrelated dimensions, including differences between regulatory expectations and reporting practice, limited disclosure quality, insufficient professional competence and inadequate institutional support. These dimensions are closely interconnected. Weak organisational systems reduce the quality of sustainability disclosures, while limited professional expertise constrains the ability of companies to interpret and apply increasingly complex reporting requirements. Consequently, implementation challenges should be understood as the outcome of interacting institutional, organisational and professional factors rather than as deficiencies in regulation alone.

These challenges are particularly relevant in emerging economies and EU candidate countries. Although legislative convergence with the European Union has accelerated, organisational capabilities and professional competencies frequently require considerably longer periods to develop. As a result, companies may formally comply with reporting requirements while remaining insufficiently prepared to produce structured, comparable and decision-useful sustainability information (European Commission, 2022; KPMG, 2024).

Based on this literature, the present study proposes an Implementation Readiness Framework comprising three complementary dimensions: regulatory readiness, reflecting the existence of legislative and institutional expectations; corporate readiness, referring to the organisational capability to collect, manage and disclose sustainability information; and professional readiness, representing the technical competence of accounting professionals responsible for preparing and supporting sustainability reporting. The study argues that effective implementation capacity emerges only when these three dimensions evolve simultaneously. Where regulatory convergence progresses more rapidly than corporate and professional readiness, an implementation gap is likely to emerge.

This framework addresses an important gap within the existing literature. While previous studies have predominantly examined sustainability reporting through regulatory developments or disclosure practices, comparatively limited research has investigated how regulatory readiness, corporate readiness and professional readiness interact to determine implementation capacity, particularly within EU candidate countries. By integrating documentary evidence from large companies with survey evidence obtained from certified accounting professionals, the present study develops and empirically examines this implementation-oriented perspective.

3. Methodology

3.1 Research Design

This study adopts a mixed-method research design combining documentary content analysis with survey research to investigate sustainability reporting implementation readiness in Albania (Creswell & Plano Clark, 2018). A mixed-method approach was considered appropriate because sustainability reporting implementation is a multidimensional phenomenon involving both organisational practices and professional preparedness. Consequently, reliance on a single source of evidence

would provide only a partial understanding of implementation capacity.
The research design is grounded in the conceptual framework developed in the previous section, which conceptualises implementation capacity as the interaction of regulatory readiness, corporate readiness and professional readiness. Accordingly, the empirical investigation examines sustainability reporting from two complementary perspectives. Documentary analysis evaluates the reporting practices of Albania's largest companies, while survey evidence examines the preparedness of certified accounting professionals. The integration of these complementary data sources enables methodological triangulation, thereby strengthening the validity and credibility of the empirical findings (Denzin, 1978).

3.2 Data Collection

The empirical investigation consisted of two complementary components. The sample comprised the 200 largest companies operating in Albania. This group was selected because it represents the segment of the Albanian corporate sector most likely to be affected by future mandatory sustainability reporting requirements. Large companies are expected to lead the implementation of the CSRD and ESRS due to their greater organisational complexity, more developed governance structures, more sophisticated reporting systems and higher levels of public accountability.
For each company, publicly available corporate reporting documents were examined, including financial statements, annual activity reports, management reports, reports on payments to government, non-financial reports and sustainability-related information published on official corporate websites. The analysis evaluated not only the existence of sustainability disclosures but also their consistency with selected ESRS reporting principles. Specifically, the assessment focused on governance disclosures, environmental information, social disclosures, materiality considerations, sustainability performance indicators and reporting structure.

Assessment Dimension	**Description**
Governance disclosure	Governance structures and sustainability oversight
Environmental disclosure	Climate, energy, emissions, environmental policies
Social disclosure	Employees, diversity, health & safety, human rights
Materiality	Evidence of materiality assessment
Performance indicators	ESG KPIs and measurable metrics
Reporting structure	Consistency with ESRS principles

Table 1: Documentary Analysis Framework
Source: Developed by the author.

The second component consisted of a structured questionnaire administered to certified accounting professionals operating in Albania (Bryman, 2016). Accounting professionals were selected because they represent one of the principal stakeholders responsible for supporting sustainability reporting implementation through the preparation, coordination and interpretation of sustainability disclosures.

The questionnaire collected information on respondents' demographic characteristics, knowledge of sustainability reporting, familiarity with ESG concepts, awareness of the CSRD and ESRS, previous reporting experience, self-assessed preparedness and perceived training needs. Following data screening, 127 valid questionnaires were retained for the final analysis. Although the survey is not intended to provide statistical representativeness of the entire accounting profession, it provides valuable exploratory evidence regarding professional implementation readiness among certified accountants directly involved in corporate reporting.

Participation was voluntary and anonymous, and all responses were analysed in aggregate form for academic research purposes.

Section	Variables
Demographic characteristics	Age, gender, professional experience
Knowledge	Sustainability reporting, ESG, CSRD, ESRS
Experience	Previous reporting experience
Readiness	Self-assessed preparedness
Training needs	Areas requiring additional professional development

Table 2: Survey Structure
Source: Developed by the author.

3.3 Analytical Framework and Data Analysis

The empirical analysis operationalises the conceptual framework developed in the literature review by evaluating sustainability reporting implementation through three complementary dimensions: regulatory readiness, corporate readiness and professional readiness. Regulatory readiness provides the institutional context, corporate readiness is assessed through documentary analysis of sustainability disclosures, and professional readiness is evaluated through survey evidence obtained from certified accounting professionals.

Documentary evidence was analysed using qualitative content analysis, while survey responses were analysed using descriptive statistical techniques, including frequencies and percentages (Bryman, 2016). The findings from both empirical components were subsequently integrated to identify converging and diverging evidence regarding sustainability reporting implementation capacity. This methodological triangulation enhanced the robustness of the findings and reduced the limitations associated with reliance on a single source of evidence (Denzin, 1978).

The reliability of the study was strengthened using publicly available corporate reports, a structured documentary assessment framework and a survey targeting certified accounting professionals directly involved in financial reporting. Nevertheless, several limitations should be acknowledged. The documentary analysis evaluates only publicly available disclosures and therefore cannot capture internal sustainability practices that remain undisclosed. Similarly, the survey measures perceived preparedness rather than objectively tested technical competence. Finally, the study focuses exclusively on Albania; consequently, the findings should be generalised cautiously beyond similar institutional environments. Future research may extend the proposed framework by incorporating additional stakeholder groups and conducting comparative analyses across EU candidate countries.

4. Empirical Findings and Interpretation

4.1 Corporate Readiness

The documentary analysis of the 200 largest companies operating in Albania provides the first systematic empirical assessment of corporate sustainability reporting practices within the country. Rather than measuring reporting activity solely through the existence of published reports, the analysis evaluates whether publicly available disclosures demonstrate the characteristics required under the European Sustainability Reporting Standards (ESRS), including structured sustainability information, materiality-based reporting and decision-useful disclosures.

The findings reveal that corporate reporting among Albania's largest companies continues to be dominated by traditional financial reporting obligations. Financial statements remain the principal reporting instrument, while annual activity reports, management reports and reports on payments to government constitute the most frequently disclosed forms of non-financial reporting. Dedicated sustainability reporting remains largely absent.

Type of Report	***Number of Companies***
Financial Statements	189
Annual Activity Reports	124
Reports of Payments to Government	51
Management Reports	41
Non-Financial Reports	34
ESRS-compliant Sustainability Reports	0

Table 3: Corporate Reporting Practices among the 200 Largest Albanian Companies
Source: Developed by the author.

Although 34 companies publish non-financial reports, a detailed examination demonstrates that none satisfies the reporting architecture required by the ESRS. Consequently, the existence of non-financial reporting should not be interpreted as evidence of sustainability reporting readiness.

To further assess implementation readiness, all identified non-financial reports were evaluated against selected ESRS reporting dimensions.

ESRS Reporting Dimension	***Observed Level of Disclosure***
Double Materiality Assessment	Not Evident
Sustainability Strategy	Limited
Environmental Performance Indicators	Very Limited
Social Performance Indicators	Limited
Governance Disclosures	Partial
Quantitative Sustainability KPIs	Very Limited
Sustainability Targets	Not Evident
Transition Plans	Not Evident

Table 4: Assessment of Sustainability Disclosure Quality against ESRS Requirements
Source: Developed by the author.

The assessment indicates that sustainability-related disclosures remain predominantly descriptive and narrative. Environmental initiatives, employee welfare programmes and community engagement activities are frequently reported; however, measurable sustainability indicators, climate-related risks, biodiversity information, transition plans and long-term sustainability targets are generally absent.

A particularly significant finding concerns the principle of double materiality. None of the analysed reports explicitly identifies material sustainability issues by simultaneously considering financial and impact materiality. Likewise, governance disclosures remain limited, with very few companies explaining how sustainability considerations are integrated into board oversight, strategic planning or organisational decision-making.

The findings further demonstrate that reporting quantity should not be confused with reporting quality. Several companies publish relatively extensive narrative information concerning corporate social responsibility activities, yet these disclosures rarely include measurable sustainability indicators, year-on-year comparisons or performance targets. Consequently, reporting maturity depends not on the volume of disclosed information but on its relevance, consistency, comparability and strategic integration.

Overall, the documentary evidence suggests that Albanian companies have entered the initial stages of sustainability reporting development. Although sustainability awareness appears to be increasing, current reporting practices remain largely compliance-oriented and fall considerably short of the reporting architecture envisaged by the ESRS. These findings indicate that corporate readiness remains at an early stage of development despite increasing regulatory convergence.

4.2 Professional Readiness

The second component of the empirical investigation examined the preparedness of certified accounting professionals to support sustainability reporting implementation in Albania. Because accountants are expected to play a central role in preparing and supporting sustainability disclosures under the CSRD and ESRS, their level of preparedness constitutes an essential dimension of national implementation capacity. A structured questionnaire was administered to 127 certified accounting professionals.

Response	***Percentage***
Ready to prepare sustainability reports	23%
Not yet sufficiently prepared	77%

Table 5: Perceived Readiness of Certified Accountants
Source: Developed by the author.

The survey indicates that 77% of respondents do not yet consider themselves sufficiently prepared to prepare sustainability reports. Nevertheless, approximately one quarter of respondents reported feeling capable of supporting sustainability reporting implementation. This finding suggests that professional readiness is not absent but unevenly distributed across the profession.
The evidence further highlights the distinction between awareness and implementation capability. While sustainability reporting and ESG concepts have become increasingly visible within the accounting profession, effective implementation requires competencies extending beyond traditional financial reporting, including materiality assessment, ESG metrics, sustainability data management and assurance procedures. These findings suggest that the Albanian accounting profession is currently undergoing a transitional phase in which awareness is developing more rapidly than technical implementation capability. Consequently, the principal challenge no longer concerns recognising sustainability reporting as an emerging reporting obligation but rather strengthening professional competence through continuous professional development, practical experience and institutional guidance.
Overall, the survey findings indicate that professional readiness should be interpreted as a transitional rather than a binary condition, reflecting the progressive development of implementation capability rather than its complete absence.

4.3 Explaining the Sustainability Reporting Implementation Gap

The integration of documentary evidence and survey findings provides a comprehensive explanation of sustainability reporting implementation readiness in Albania. Whereas the documentary analysis evaluates current corporate reporting practices, the survey assesses the preparedness of accounting professionals expected to support future implementation. Considered together, these complementary sources of evidence explain why implementation capacity develops more slowly than regulatory convergence alone would suggest.

Dimension	***Empirical Evidence***	***Observed Level of Readiness***
Regulatory Readiness	Progressive alignment with CSRD and ESRS requirements	Advanced
Corporate Readiness	Sustainability disclosures remain fragmented and largely non-ESRS compliant	Developing
Professional Readiness	77% of respondents report limited preparedness	Emerging
Overall Implementation Capacity	Uneven development across the three dimensions	Early Transitional Stage

Table 6: Integrated Assessment of Sustainability Reporting Readiness
Source: Developed by the author.

The empirical evidence suggests that Albania has made substantial progress towards regulatory convergence with the European sustainability reporting framework. However, this convergence has not yet translated into equivalent levels of corporate and professional implementation readiness. Instead, implementation capacity develops progressively as organisations establish governance systems, reporting processes and technical competencies capable of supporting ESRS implementation.

These findings support the interpretation that sustainability reporting readiness should be understood as an evolutionary rather than a binary condition. Countries should therefore not be classified simply as "ready" or "not ready". Rather, implementation readiness develops through successive stages of institutional, organisational and professional maturity.

The findings also demonstrate that increasing numbers of non-financial disclosures do not necessarily improve sustainability reporting readiness. Likewise, growing professional awareness does not automatically translate into implementation competence. Effective sustainability reporting depends on the simultaneous development of regulatory support, organisational capabilities and professional expertise.

Overall, the empirical evidence supports the central proposition of this study: the principal implementation challenge no longer concerns the adoption of sustainability reporting regulation itself but the development of organisational and professional capacities capable of translating regulatory expectations into consistent, high-quality sustainability reporting practices.

5. Conclusion

The findings of this study demonstrate that sustainability reporting implementation should be understood as an implementation-capacity challenge rather than solely a regulatory challenge. Although Albania has made substantial progress towards aligning its regulatory framework with the European sustainability reporting agenda, the empirical evidence indicates that legislative convergence has not yet been accompanied by equivalent levels of corporate and professional implementation readiness. Consequently, the implementation gap identified in this study reflects not regulatory failure but the asynchronous development of regulatory, organisational and professional capacities.

This interpretation contributes to the growing sustainability reporting literature by extending existing perspectives that primarily explain implementation through regulatory reform or disclosure practices. The empirical findings demonstrate that effective sustainability reporting depends on the interaction between three complementary dimensions: regulatory readiness, corporate readiness and professional readiness. Regulatory readiness establishes the institutional foundation for sustainability reporting, whereas corporate and professional readiness determine the practical ability to translate regulatory expectations into consistent, decision-useful sustainability disclosures. The study therefore proposes that sustainability reporting readiness should be conceptualised as a multidimensional and evolutionary process rather than a binary condition.

The principal theoretical contribution of the study is the development of the Implementation Readiness Framework, which repositions implementation capacity as the central explanatory construct linking regulatory reform with reporting quality. Rather than interpreting implementation gaps as evidence of insufficient regulation, the framework explains them as the expected consequence of uneven institutional development. This perspective broadens the analytical focus of sustainability reporting research by integrating regulatory, organisational and professional dimensions within a single conceptual model. Although developed using evidence from Albania, the framework may also provide a transferable analytical perspective for future research conducted in other EU candidate countries and emerging institutional environments. Unlike previous studies that examine regulatory reform, disclosure quality or professional readiness separately, the proposed framework integrates these dimensions into a single implementation-oriented explanatory model.

The findings also generate several practical implications. For policymakers, regulatory convergence should be accompanied by implementation strategies providing practical guidance and institutional support. Professional accounting organisations should prioritise continuous education focused on ESRS implementation, materiality assessment and sustainability assurance. Companies should begin integrating sustainability considerations into governance structures, reporting systems and strategic decision-making before mandatory reporting requirements become fully applicable. Furthermore, higher education institutions should progressively incorporate sustainability reporting into accounting and auditing curricula to strengthen future professional capacity.

The study is subject to several limitations. The documentary analysis relied exclusively on publicly available corporate reports and therefore could not assess internal sustainability practices that were not externally disclosed. Likewise, the survey measured perceived professional readiness rather than objectively tested technical competence. Finally, the empirical investigation focused exclusively on Albania, and caution should therefore be exercised when generalising the findings beyond similar institutional contexts.

Future research may extend the proposed framework through comparative analyses across EU candidate countries, longitudinal studies examining implementation over time and mixed-method investigations involving additional stakeholder groups, including regulators, auditors and corporate managers. Such research would contribute to validating and refining the Implementation Readiness Framework while providing further evidence regarding the institutional factors influencing sustainability reporting implementation.

Overall, this study demonstrates that the future success of sustainability reporting should not be evaluated solely by the speed of legislative convergence but by the capacity of organisations and accounting professionals to transform regulatory expectations into meaningful, reliable and decision-useful sustainability information. Strengthening implementation capacity therefore represents the principal challenge accompanying sustainability reporting reforms within EU candidate countries.

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