AGENDA ITEM 14

Next Strategy and Work Program

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IPSASB Meeting – March 2023
AGENDA

1. CURRENT STRATEGY OVERVIEW
2. NEW ENVIRONMENT
3. INITIAL PROPOSAL
4. LOOKING FORWARD
Delivered through two main areas of activity, both of which have a public interest focus:

**Delivering Global Standards**
Developing and maintaining IPSAS and other high-quality financial reporting guidance for the public sector.

**Inspiring Implementation**
Raising awareness of IPSAS and the benefits of accrual adoption.

Strengthening Public Financial Management (PFM) globally through increasing adoption of accrual-based IPSAS.
Agenda Item 14

Strategy and Work Program 2019-2023

Theme A: Setting standards on public sector specific issues

Theme B: Maintaining IFRS alignment

Theme C: Developing guidance to meet users' broader financial reporting needs

Theme D: Promoting IPSAS adoption and implementation

Theme E: Advocating the benefits of accrual in strengthening PFM
Current Work Program

• Current projects have largely focused on Themes A and B of the Strategy and Work Plan

**A**
- Natural Resources
- Transfer Expenses

**B**
- Revenue
- Measurement
- PP&E

• Theme D and E Initiatives
  – Pathways to Accrual - updated in February 2022
  – International Public Sector Financial Accountability Index – updated in June 2021
  – eIS (electronic International Standards) - launched in late 2021
Current Strategy Overview

Questions?
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Changes to the Environment

Differences compared to 2019

More Complete Set of IPSAS
- Gaps in revenue, social benefits, measurement in 2019
- Expectation that by end of 2023 IPSAS will be more 'complete' and up to date with relevant IFRS changes

IPSAS Adoption
- 30% jurisdictions reported on accrual in 2020
- 50% jurisdictions reported on accrual in 2025 (forecast)
- 73% jurisdictions reported on accrual in 2030 (projected)

Sustainability
- Strong public support for IPSASB to lead public sector sustainability reporting

2023 Stakeholder Expectations (Including perspectives from 2022 International Standard Setters Forum)

Maintaining Existing IPSAS
- Following a very active period in terms of new standards
- IPSASB work program balance should shift more towards maintenance
- Start more formal PIRs?

Supporting Implementation
- Support stakeholders in interpreting IPSAS consistently
- Establish an ‘implementation group’ to interact directly with stakeholders?
- IFAC’s developing adoption and implementation role

Leading on Sustainability
- Include public sector sustainability reporting more explicitly to the work program
NEW ENVIRONMENT

QUESTIONS?
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Initial Proposal: 2024-2028 Strategy

Updating for the Current Context and Fit

**Maintaining Existing IPSAS**
- IPSASB should shift more towards maintenance

**Supporting Implementation**
- Support stakeholders interpret IPSAS consistently
- Establish an ‘implementation group’ to interact directly with stakeholders

**Leading on Sustainability**
- Add public sector sustainability reporting to the work program

Theme A: Setting standards on PS issues
Theme B: Maintaining IFRS alignment

Theme D: Promoting IPSAS adoption and implementation
Theme E: Advocating the benefits of accrual in strengthening PFM

Theme C: Developing guidance to meet users’ broader financial reporting needs
Overall Strategy Remains Appropriate

- Strengthening Public Financial Management (PFM) globally through increasing adoption of accrual-based IPSAS
  - Theme A: Setting standards on public sector specific issues
  - Theme B: Maintaining IFRS alignment
  - Theme C: Developing guidance to meet users’ broader financial reporting needs
  - Theme D: Promoting IPSAS adoption and implementation
  - Theme E: Advocating the benefits of accrual in strengthening PFM

Updating for the Current Context and Fit

- Reflect the changes to the environment compared with 2019
- Theme C should be more prominent and explicitly focused on sustainability reporting
- Should Theme B also reference sustainability reporting guidance and GFS?
- Consider re-ordering themes?
- Update / extend overall strategic objective?
INITIAL PROPOSAL

QUESTIONS?
Agenda Item 14

Looking Forward

- Q2 2023: Develop Proposals for IPSASB
- Q3 2023: Regional Roundtables
- Q4 2023: Approve Strategy Consultation
- Q1 2024: Review Responses to Strategy Consultation
- Q2 2024: Approve 2024-2028 Strategy
Looking Forward

Questions?