

Meeting: International Public Sector Accounting
Standards Board

Meeting Location: Washington, D.C., USA

Meeting Date: March 18–21, 2025

Agenda Item 4

For:

☒ Approval

☐ Discussion

☐ Information









STRENGTHENING LINKAGES BETWEEN IPSAS STANDARDS AND THE GFSM




Project summary	Development of non-authoritative guidance on the accounting policy options in IPSAS® Standards that can be useful for Government Finance Statistics Manual (GFSM) reporting.	
Project staff lead	<ul style="list-style-type: none"> João Fonseca, Principal 	
Task Force members	<ul style="list-style-type: none"> [TBD] 	
Meeting objectives	Topic	Agenda Item
Project management	Final Pronouncement Dashboard	4.1.1
	Instructions up to Previous Meeting	4.1.2
	Decisions up to Previous Meeting	4.1.3
	Project Roadmap	4.1.4
Decisions required at this meeting	Project Brief: Approval	4.2.1
	Approach to Developing Proposed Guidance	4.2.2
Other supporting items	Supporting Document 1—[draft] Project Brief, Strengthening Linkages Between IPSAS Standards and the GFSM	4.3.1
	Supporting Document 2—[draft] Exposure Draft [XX], Linkages Between IPSAS Standards and the GFSM 2014	4.3.2

Prepared by: João Fonseca (March 2025)

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STRENGTHENING LINKAGES BETWEEN IPSAS STANDARDS AND THE GFSM FINAL PRONOUNCEMENT DASHBOARD

Topic	Mar 2025	Jun 2025	Sep 2025	Dec 2025	Mar 2026
Overall Project Management					
[To be confirmed after approval of Project Brief]					
Final Pronouncement					
Review and approval of Final Pronouncement					
Basis for Conclusions					
Analysis of Responses to Exposure Draft					
Exposure Draft					
Implementation Guidance					
Basis for Conclusions					
Specific Matters for Comment					

Legend	
	Task Completed
	Planned IPSASB Discussion
	Page-by-page Review

INSTRUCTIONS UP TO PREVIOUS MEETING

Meeting	Instruction	Actioned
December 2024	<ol style="list-style-type: none">1. To develop the new IPSAS Standards–GFSM Alignment Dashboard.2. To develop examples of the proposed additional IPSAS 22 implementation guidance and related non-authoritative Comparison with GFS tables to be added to IPSAS 1–41 to be included in the Exposure Draft.	<ol style="list-style-type: none">1. See Agenda Item 1.7 of the March 2025 IPSASB meeting2. See Agenda Item 4.3.2 of the March 2025 IPSASB meeting

DECISIONS UP TO PREVIOUS MEETING

Meeting	Decision	BC Reference
December 2024	<ol style="list-style-type: none">1. The objective of the project should be “to strengthen the linkages between IPSAS Standards and the GFSM”;2. The Project Brief should reflect two project phases:<ol style="list-style-type: none">(a) Phase 1: Clarify the areas where there is already alignment between IPSAS Standards and the GFSM 2014 or there is an aligned option available within IPSAS Standards; and(b) Phase 2: Identify opportunities to increase alignment between IPSAS Standards and the GFSM 2014 as a result of the GFSM 2014 update process.	<ol style="list-style-type: none">1. See Agenda Item 4.3.1 of the March 2025 IPSASB meeting2. See Agenda Item 4.3.1 of the March 2025 IPSASB meeting

**STRENGTHENING LINKAGES BETWEEN IPSAS STANDARDS AND
THE GFSM:
PROJECT ROADMAP**

Meeting	Completed Actions or Discussions / Planned Actions or Discussions:
December 2024	1. Project Brief: Discussion of issues
March 2005	1. Project Brief: Approval 2. Approach to Developing Proposed Guidance

Project Brief: Approval

Question

1. Does the IPSASB agree with staff's recommendation to approve the Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM*?

Recommendation

2. Staff recommends the IPSASB the approval of Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM*.

Background

3. At the December 2024 meeting, the IPSASB discussed the [draft] Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM* and decided that the Project Brief should include two project phases:
 - (a) Phase 1: Clarify the areas where there is already alignment between IPSAS Standards and the GFSM 2014 or there is an aligned IPSAS Standards accounting option available; and
 - (b) Phase 2: Identify opportunities to increase alignment between IPSAS Standards and the GFSM as a result of the GFSM 2014 update process.

Analysis

4. [Agenda Item 4.3.1](#) presents the revised [draft] Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM* (in mark-up compared to the the December 2024 meeting version).
5. The revised [draft] Project Brief addresses IPSASB's instructions from the December 2024 meeting, as follows:
 - (a) Removal of the "2014" reference in the project objective and where appropriate in the Project Brief when referring to GFSM as the project now includes two phases to encompass the current and the future GFSM editions (see paragraph 4.1 of the Project Brief).
 - (b) Revised project timetable with approval of Exposure Draft in September 2025 and approval of final pronouncement in March 2026 (see paragraph 7.5 of the Project Brief).
 - (c) Added explanation that this project addresses the option of adding non-authoritative guidance to IPSAS 22 and producing the *Comparison with GFS* tables explored in the [Consultation Paper, IPSASs and Government Finance Statistics Reporting Guidelines](#) issued by the IPSASB in October 2012 (see footnotes in paragraph 4.2 of the Project Brief).
6. Staff recommends the IPSASB the approval of the Project Brief in [Agenda Item 4.3.1](#).

Decision Required

7. Does the IPSASB agree with the staff's [recommendation](#)?

Approach to Developing Proposed Guidance

Question

1. What comment does the IPSASB have on staff's proposed approach to developing the proposed guidance?

Recommendation

2. Staff recommends the IPSASB the approach to developing the proposed guidance included in the:
 - (a) New *IPSAS Standards–GFSM Alignment Dashboard*; and
 - (b) [draft] Exposure Draft [XX], *Strengthening Linkages Between IPSAS Standards and the GFSM 2014*.

Background

3. At the December 2024 meeting, the IPSASB instructed staff to develop the new IPSAS Standards–GFSM Alignment Dashboard and to develop non-authoritative guidance for the proposed additional IPSAS 22 implementation guidance to be included in the Exposure Draft.

Analysis

IPSAS Standards–GFSM Alignment Dashboard

4. The new IPSAS Standards–GFSM Alignment Dashboard (see Agenda Item 1.7) has two objectives:
 - (a) To communicate alignment of IPSAS Standards with the GFSM; and
 - (b) To provide a summary of the main topics in each IPSAS Standard that:
 - (i) Are already aligned with GFSM or there is an aligned policy choice available;
 - (ii) Further alignment opportunities are available in both IPSAS Standards and GFSM; and
 - (iii) There are no current alignment opportunities available between IPSAS Standards and the GFSM due to conceptual differences between the two frameworks.
5. [Appendix A](#) provides more details on the structure and characteristics of the new IPSAS Standards–GFSM Alignment Dashboard.

[draft] Exposure Draft [XX], Strengthening Linkages Between IPSAS Standards and the GFSM 2014

Non-authoritative guidance to be added in IPSAS 22

6. Staff recommendeds the proposed non-authoritative guidance to be included in [draft] Exposure Draft [XX] (see [Agenda Item 4.3.2](#)) to be structured in the following way:
 - (a) Six groups of IPSAS Standards (drawn from Exposure Draft 91, *Limited-scope Updates to First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSAS)* (Amendments to IPSAS 33), as follows:
 - (i) General principles;
 - (ii) Accounting boundaries;
 - (iii) Non-financial assets;

- (iv) Financial assets and liabilities;
 - (v) Revenue and transfer expenses; and
 - (vi) Other expenses and non-financial liabilities.
- (b) Each group includes IPSAS Standards that have recognition and measurement requirements and that there is also GFSM guidance; and
- (c) Question and answers about:
- (i) Which recognition and measurement requirements or policy choice(s) in the IPSAS Standard are aligned with GFSM; and
 - (ii) Where will recognition and measurement differences require additional data to be collected?.

The questions and answers may be expanded and modified according to the specificities of each IPSAS Standard.

7. Staff have developed proposed guidance for a few IPSAS Standards for IPSASB's consideration. For example, [draft] Exposure Draft [XX] includes proposed guidance for:
- (a) IPSAS 4, *The Effects of Changes in Foreign Exchange Rates*;
 - (b) IPSAS 5, *Borrowing Costs*;
 - (c) IPSAS 31, *Intangible Assets*;
 - (d) IPSAS 43, *Leases*; and
 - (e) IPSAS 45, *Property, Plant, and Equipment*.

Tables on *Comparison with GFS*

8. The [draft] Exposure Draft [XX] (see [Agenda Item 4.3.2](#)) identifies the IPSAS Standards for which staff recommends the creation of the *Comparison with GFS* tables to be included at the end of each IPSAS Standard (this includes IPSAS 1–IPSAS 41), except for those IPSAS Standards that:
- (a) Will be superseded with more recent IPSAS Standards (IPSAS 9, IPSAS 11, IPSAS 13, IPSAS 17, and IPSAS 23);
 - (b) Are related to disclosures (IPSAS 20, IPSAS 22, IPSAS 30, and IPSAS 38); and
 - (c) There is no equivalent guidance in GFSM 2014 (IPSAS 3, IPSAS 10, IPSAS 18, IPSAS 24, IPSAS 29, IPSAS 33, and IPSAS 34).

Decision Required

9. Does the IPSASB agree with the staff's [recommendation](#)?

Appendix A – Detailed Characteristics of the IPSAS Standards–GFSM Alignment Dashboard

1. The new IPSAS Standards-GFSM Alignment Dashboard has the following structure and characteristics:
 - (a) **Degree of Alignment**—includes five categories, as follows:
 - (i) n/a (grey): IPSAS Standards without corresponding GFSM 2014 guidance;
 - (ii) Already aligned (green): same requirements or GFSM 2014-aligned accounting policy option available;
 - (iii) IPSAS Standards alignment opportunity (blue): current IPSASB project or research program;
 - (iv) GFSM 2014 update alignment opportunity (amber): fundamental difference under debate; and
 - (v) Key recognition and measurement differences (red): no current alignment opportunity.
 - (b) **Table 1 – Alignment Between IPSAS Standards/RPG Guidelines and GFSM 2014—Summary**—includes all issued IPSAS Standards and the legend of degree of alignment with GFSM 2014.
 - (c) **Table 2 – GFSM 2014 Update Research Projects by Task Team**—includes the current alignment degree and the outcome of GFSM 2014 update to be filled as the GFSM 2014 update progresses.
 - (d) **Table 3 – IPSAS Standards and GFSM 2014—Supporting Detail**—includes a summary of the issues that will be in the [draft] Exposure Draft [XX], *Strengthening Linkages Between IPSAS Standards and GFSM 2014* and alignment opportunities with GFSM 2014.
 - (e) **Table 4 – RPG Guidelines and GFSM 2014—Supporting Detail**—includes the main differences and alignment opportunities with GFSM 2014 per RPG Guidelines.
2. The IPSAS Standards-GFSM Alignment Dashboard will be a standing agenda item of the IPSASB meetings.

Supporting Document 1 – [draft] Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM*

1. The [draft] Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM*, referenced in Agenda Item 4.3.1, is posted separately for ease of reading.

Supporting Document 2 – [draft] Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014*

1. The [draft] Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014*, referenced in Agenda Item 4.3.2, is posted separately for ease of reading.
2. This [draft] Exposure Draft includes the first draft guidance template that may be used to develop the full guidance in this project.