Thomas Müller-Marqués Berger
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Submitted online

Brussels, 24 June 2026

Subject: IPSASB Exposure Draft - Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)

Dear Mr. Müller-Marqués Berger,

Accountancy Europe is pleased to respond to the IPSASB Exposure Draft (ED) on Linkages Between IPSAS Standards and the Government Finance Statistics Manual (GFSM) 2014 (Amendments to IPSAS 22).

We support IPSASB's efforts to promote the adoption and implementation of accrual accounting. We also support the current project to identify alignment and differences in recognition and measurement requirements between IPSAS and GFS.

In our view, while minimising differences between the two frameworks is beneficial, full alignment is not a reasonable objective and is not desirable.

We set out below our main observations:

- IPSAS standards and GFS have fundamentally different objectives. IPSAS standards are transaction-based and more granular than GFS. Therefore, they are more suitable for accountability and entity-level management. By contrast, GFS relies on aggregated data and serves as a basis for macroeconomic decision-making by policy makers
- There is a conceptual difference in scope between the two frameworks: while IPSAS standards are designed for reporting entities, GFS uses the concept of "institutional units" which can sit below a reporting entity. Additionally, ambiguity remains as to whether the ED applies at the entity level or at the whole-of-government level
- It is critical to understand that accounting policy choices cannot be driven by alignment between GFS and IPSAS. Doing so would compromise the quality of accrual-based financial statements. Alignment should therefore be pragmatic and selective
- IPSASB should seek to avoid creating unnecessary burden arising from future systematic reconciliation exercises while maintaining and updating linkages between the two frameworks, especially in light of the upcoming revision to the GFSM
- We emphasise the critical importance of a sound accrual-based accounting system, which acts as a prerequisite and reliable feeder for statistical reporting. In the European Union, the new Directive 2024/1265/EU requires accrual accounting as a foundation for statistical reporting
- We also wonder whether the chosen format for the ED, which consists of non-authoritative guidance appended to an optional standard - is the most appropriate vehicle for this material. We recommend weighing other options such as a separate guidance publication.

Finally, we believe that high quality disclosures play an important role in explaining and bridging differences between the two frameworks.

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Please do not hesitate to contact Nael Braham (nael@accountancyeurope.eu) in case of any questions or remarks.

Sincerely,

Eelco van der Enden

Chief Executive Officer

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