

First-time Adoption of Accrual Basis IPSAS

Panel: Main challenges and lessons learned


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Main challenges and lessons learned (Andreas Bergmann)



It can be done, but it's no easy task!



Direct vs. indirect adoption: Both have been completed successfully. Indirect has the advantage that the issues are addressed early in the process.

- **Political and institutional capacity: Are clarified early.**
- **Normative basis: Stringent anchoring in the national legislation. Clear normative hierarchy including Conceptual Framework, Standards, Policies, Chart of Accounts, Interpretations and Guidance.**



IPSAS 33 is partly feasible: IPSAS 33 is very useful as it allows for deemed cost measurement when no documents can be found. But the “three years exemption and disclose” idea is clearly not working.



Technical capacity: There is no IT solution “from the shelf” and a design has to be developed, including the interface with GFS.

Key takeaways from IPSAS implementation experiences (Patrice Schumesch)



- Making the change to IPSAS is much more than an accounting exercise, it is a transformation project.
 - **Take a holistic approach to the various dimensions of the project (policies, processes, systems and people).**
- Making the move to IPSAS is a journey.
 - **Multi-year project.**
 - **Continuous improvement process.**
 - Keep it simple and keep the momentum.
- The full benefits of accrual accounting implementation based on IPSAS or equivalent can only be captured as part of a wider finance reform.
 - **Embed IPSAS information in the decision-making process.**
 - Use IPSAS financials as a key communication tool.

Key Takeaways from IPSAS FTI Projects (Thomas Müller-Marqués Berger)



- The implementation is not going to be successful and sustainable without political support of and consensus across the whole political landscape
- It needs to be ensured that the implementation project is relevant to stakeholders by embedding the use of the newly generated information for future decision making and accountability procedures in laws and regulations
- It is necessary to achieve full transparency about the “starting point” of the reform – this requires a diligent planning and preparation phase

→ IPSAS implementation is not an accounting exercise, it is a game changer for Public Finance Management