

Welcome to the PULSAR June 2025 Newsletter, which highlights key activities of the Public Sector Accounting and Reporting Program ([PULSAR](#)), implemented by the World Bank's Centre for Financial and Sustainability Reporting Reform – CFRR. This issue summarizes achievements, activities, and publications over the previous year, and this is also the last newsletter as PULSAR program is closing at the end of June 2025.

Past Events

[The Ministerial Conference “Financial and Sustainability Reporting Reforms: Navigating Green and Digital Agendas”, March 18, 2025, Vienna, Austria](#)



The World Bank Center for Financial and Sustainability Reporting Reform (CFRR) held its 9th Ministerial Conference Financial and Sustainability Reporting Reforms: Navigating Green and Digital Agendas on March 18, 2025, in Vienna, Austria, organized under its three flagship regional programs: EAASURE, PULSAR, and REPARIS for SMEs with support from donors, including the Austrian Government, the Austrian Ministry of Finance, the Austrian Development Cooperation, the Swiss State Secretariat for Economic Affairs, and the European Union (EU).

The conference focused on raising awareness and mobilizing political support for financial and sustainability reporting reforms aligned with international and regional standards in the Europe and Central Asia (ECA) region. It attracted over 250 participants, including ministers of finance, deputy ministers, senior officials, members of public audit oversight bodies, representatives of professional accountancy organizations, standard setters, academia, state-owned enterprises, and auditors from CFRR partner countries, as well as representatives of relevant international organizations and the EU.

The conference emphasized the importance of financial and sustainability reporting standards in linking financial reporting to broader economic development. Simplification in sustainability reporting was discussed, highlighting that it does not equate to deregulation. Transparency and accountability in financial information were reinforced as the foundation of trust in economies and institutions.

The keynote address on the EU Green Policy for the Corporate Sector covered recent legislative proposals impacting the accounting profession and financial services, including the Corporate Sustainability Reporting Directive, Sustainable



Finance Disclosure Regulation, EU Taxonomy, and Carbon Border Adjustment Mechanism. Concerns about potential deregulation were raised, and the need for government support in implementing behavioral change was emphasized.

The ministerial panel discussed the challenges and opportunities of financial and sustainability reporting reform, sharing experiences and plans for capacity building, aligning with EU requirements, and integrating digitalization into reporting systems. Challenges such as limited staff capacity, expertise shortages, and the need for transitional periods were pointed out.

A panel discussion on sustainability reporting emphasized the EU's mandatory requirements, the impact of simplification proposals, and the importance of interoperability with global standards. Collaboration among regulators, governments, and professional bodies is crucial for effective implementation. The role of accountants in ensuring high-quality assurance to build trust and addressing implementation challenges was also discussed.



The session on artificial intelligence (AI) risks and opportunities for accounting and auditing included presentations comparing deductive and inductive AI approaches, highlighting the limitations of solely relying on inductive AI and the benefits of hybrid AI systems. Realistic expectations for AI implementation in public financial management were emphasized, with a business-driven approach starting with identifying specific use cases and exploring appropriate AI tools.

A panel discussion on sustainability reporting and climate action of state-owned enterprises (SOEs) explored their role as sustainability leaders.

Comprehensive reform packages are essential to address challenges, such as transitioning to renewable energy and integrating sustainability into financial strategies. Collaboration between governments, SOEs, and international organizations is key. Strong leadership is vital for driving climate efforts and achieving significant environmental and social impacts.

The closing remarks highlighted the value of learning from each other in designing effective policy and the importance of financial and sustainability reporting for green finance access. Governments were called on to support sustainability reporting, noting AI's potential benefits for small and medium enterprises and the significant potential of SOE leadership in climate efforts.

You can learn more about this event and download materials, including available translations on the [event page on CFRR website](#).

Accounting and Auditing Reform Momentum Forum, March 17, 2025, Vienna, Austria

The Accounting and Auditing Reform Momentum Forum on March 17, 2025, aimed to update participants on recent developments in financial reporting and auditing in the private and public sectors and explain the rationale for reforms amid climate and artificial intelligence (AI) challenges. It usefully set the scene with information in advance of the CFRR Ministerial Conference on March 18.

The Forum convened around 170 participants, including senior officials and representatives of state institutions from participating countries, international development partners, professional accountancy organizations, and academia, to address evolving challenges and opportunities in accounting and auditing. The event featured informative sessions exploring effective accounting service trends, including discussions on outsourcing models, shared service centers, and the increasing demand for qualified accountants. The audience were very interested in the experiences of public sector accounting reform shared by representatives from Greece and Estonia. Corporate sector updates highlighted the latest developments in IFRS Accounting Standards, International Standards on Auditing, and sustainability assurance. Significant developments in public sector accounting standards focused on IPSAS, EPSAS, and the IPSASB's Sustainability Reporting Standard 1 Exposure Draft. The Forum concluded with a forward-looking session on education and ethics in accounting, with particular emphasis on the ethical application of AI in the profession.



Key messages emerged around the transformative impact of technology and changing service models in the accounting profession. Speakers emphasized that while the demand for qualified accountants continues to rise, organizations must carefully consider which accounting service model—centralized, decentralized, or outsourced—best suits their specific needs, with special attention to governance structures, accountability frameworks, and risk management. The forum highlighted the growing importance of sustainability reporting and the financial impact of climate change, signaling a significant shift in corporate reporting practices.

Perhaps most impactfully, the discussions on AI's ethical implications for the accounting profession underscored the urgent need for updated education and training programs to address emerging skills gaps. The European Union (EU) AI Act was presented as a critical regulatory framework that will shape professional standards not only within the EU but also in aspiring member countries, suggesting that proactive adoption of these ethical standards and educational reforms will be essential for maintaining the integrity and relevance of the accounting profession in a rapidly evolving technological landscape. You can learn more about this event and download materials, including available translations on the [event page on CFRR website](#).

Sustainability Reporting Workshop, March 19, 2025, Vienna, Austria



The World Bank Center for Financial and Sustainability Reporting Reform (CFRR) held its first Sustainability Reporting Workshop on March 19, 2025, in Vienna, Austria as part of the 2025 CFRR Ministerial Conference, organized under its three flagship regional programs: EAASURE, PULSAR and REPARIS for SMEs.

The workshop brought together 206 participants, including representatives from Ministries of Finance responsible for corporate and public sector legislation in financial and sustainability reporting. The main objective of the workshop was in the corporate and public sectors. The workshop aimed to promote and inform participating countries' efforts to implement sustainability reporting reforms, and

emphasized several critical points related to sustainability reporting and its application in both the public and private sectors.

Key takeaways include:

- **Implementation of Sustainability Reporting:** Countries are making efforts to transition from voluntary to mandatory sustainability reporting frameworks. Notable examples include Serbia's phased adoption of European standards and Georgia's Best Annual Report Transparency Award (BARTA) for incentivizing quality reporting.
- **Digital Transformation:** The integration of digital tools in sustainability reporting was highlighted, with Greece demonstrating how reporting can be streamlined and made accessible through a digital business register.
- **Education and Training:** There is an urgent need to update educational curricula to include sustainability reporting and the ethical use of AI. Examples from various universities and professional bodies provided insights into developing relevant competencies.
- **Support for SMEs:** Small and medium-sized entities require tailored guidelines and training for effective sustainability reporting. A proportional approach is necessary to accommodate their diverse capacities.
- **Risk Mitigation:** Sustainability reporting is crucial for identifying and addressing risks related to climate change, social, and governance issues. The Omnibus Directive's impact on national economies and the accounting profession was a significant discussion point.
- **Commitment to Regulation:** Policymakers are committed to introducing mandatory sustainability reporting requirements aligned with updated EU directives. Developing country action plans is essential for this transition.

Overall, the workshop underscored the transformative potential of sustainability reporting in promoting transparency, responsible governance, and long-term resilience in the face of evolving standards and technological advancements.

You can learn more about this event and download materials, including available translations on the [event page on CFRR website](#).

PULSAR joint Education and Financial Reporting Communities of Practice 10th Workshop, December 3 - 5, 2024, Vienna, Austria

The main objectives of this face-to-face workshop focused on:

- Discussing the latest developments in sustainability reporting and its implications for public sector.
- Discussing the good international practices in terms of accounting for State Owned Enterprises (SOEs), Provisions and Contingent Liabilities (IPSAS 19), and Public-Private Partnership (PPPs) (IPSAS 32).
- Sharing good international practices and exchange experience on the proposed topics.



PSA and sustainability reporting are vital for promoting responsible governance, fostering transparency, and ensuring that public entities contribute positively to society and the environment. Moreover, accounting and reporting of contingent liabilities, including the Public-Private Partnership contracts, also contribute to increasing fiscal transparency and stability.

In turn, the State-owned enterprises (SOEs) play a vital role in the economy and society, given their relevance for provision of essential public services, infrastructure development, and job creation. Accounting for SOEs could be particularly complex, considering their unique structure, dual objectives: public and commercial, and relationship with governments and markets.

On the other hand, the role of sustainability reporting in both private and public sectors is increasing, as it incorporates environmental, social, and governance aspects into accounting.

In response to this fast-growing demand, the International Public Sector Accounting Board (IPSASB) just published the first sustainability reporting standard (SRS) for public sector. In this context, the government officials need to become aware and start getting ready for implementation of sustainability reporting practices in their respective countries.

You can learn more about this event and download materials, including available translations on the [event page on CFRR website](#).

Publications

[Guidance: Good Practices in Public Sector Financial Reporting and Fiscal Transparency](#)

This Guidance on Good Practices in Public Sector Financial Reporting and Fiscal Transparency is a knowledge paper of the World Bank Institutions Department developed under the PULSAR Program. This paper offers guidance to support the improvement of public sector financial reporting and fiscal transparency, in line with international standards and in accordance with good practice, that enhance government accountability, transparency, and performance.

Comprehensive and accurate public sector financial reporting ensures that governments have the financial information they need for informed decision making. It can facilitate greater fiscal transparency and public disclosure to improve accountability and performance."

Assessing the sustainability of public finances is crucial for economic stability and growth and development. This means that governments have a duty to:

- develop credible, accurate, and complete financial information taking into account both the short- and long-term impact of policy decisions;
- create structures that allow their decisions to be challenged and held up to scrutiny and assurance;
- communicate information to stakeholders in an open, transparent, and accessible way;
- build trust and confidence in financial reporting.

This guide includes an overview, practical examples, and case studies from various countries, illustrating their approaches to financial reporting within the public sector, including state-owned enterprises. It is available on the CFRR website in English, Albanian, Bosnian/Serbian/Croatian, and Russian.



[Public Sector Accounting Assessment \(PULSE\) Report of Georgia](#)



The two reports document the results and findings of the first pilots of the Public Sector Accounting Assessment (PULSE) conducted in the Republic of Armenia and Ukraine, which aim to support countries to develop an effective and efficient accounting system. PULSE assessment evaluates the quality of the public sector accounting (PSA) system and the progress of reforms implemented by the countries in this area. The assessment reviews the progress and level of the conceptual and actual implementation of accrual accounting standards for the public sector and benchmarks the compliance of public sector accounting standards with the International Public Sector Accounting Standards (IPSAS). In addition, both assessments also served as a pilot to confirm the completeness and effectiveness of the PULSE tool. The reports are available on the PULSAR website in English version.

Analysis of public sector accounting education models in six countries

The study considers the similarities and differences and the successes and challenges for PSA education models in six countries, including Albania, Georgia, the Philippines, South Africa, Viet Nam, and Zambia. Effective education of public sector accountants is important to ensure they are competent, adhere to standards, behave ethically, and contribute to the reliability and accuracy of financial reporting in the public sector. This plays an important role in supporting public trust, economic stability, and effective financial management. While the educational requirements of accountants in the public sector have much in common with accountants in the private sector, there are also important differences. The study is aimed to inform discussions on the role of education in ensuring the availability of highly qualified public sector accountants equipped with up-to-date skills and competences, the implementation of new accounting standards, and their contribution to public financial management reform.



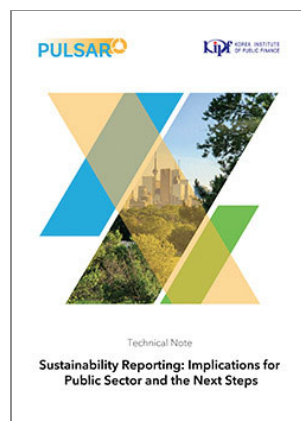
Key Findings:

- The transition to International Public Sector Accounting Standards (IPSAS) has emphasized the necessity of enhancing the skills of public sector accountants.
- None of the reviewed countries have specific qualifications or consistent certification requirements for public sector accountants, leading to potential gaps in skills and knowledge.
- Efforts are being made to improve public sector-specific training, though it remains inconsistent across different regions.
- Initial Professional Development (IPD) and Continuing Professional Development (CPD) generally focus more on general accountancy and private sector needs rather than public sector specifics. There is a limited inclusion of public sector topics in IPD education, although this is gradually improving.
- Regulation and oversight of public sector accounting education often involve cooperation among relevant ministries and Professional Accountancy Organizations (PAOs).
- PAOs play a critical role in the education and professional development of accountants but tend to focus primarily on the private sector, resulting in a lack of targeted public sector training and certification.
- Public sector accountants who are PAO members are required to undertake CPD, but this does not encompass all public sector accountants.

The paper concludes that the main challenges in establishing efficient systems of public sector accounting education relate to its fragmented implementation and inadequate coverage of public sector topics in IPD. However, driven by IPSAS implementation programs, significant efforts are being made to address these challenges and improve the education, training, and certification systems for public sector accountants, often supported by international donor organizations.

The paper is available on the CFRR website in English, Albanian, Bosnian/Serbian/Croatian, and Russian.

Upcoming publication: Sustainability Reporting: Implications for Public Sector and the Next Steps



This knowledge product considers common implications associated with implementation of sustainability reporting in the public sector. It provides analysis of latest developments in sustainability reporting frameworks, including international assurance and education standards, and overview of the experiences of four selected countries across the globe that have designed and implemented their own national instruments that could be considered different forms of sustainability reporting in the public sector. The knowledge product also identifies a series of implications and considerations associated with implementation of sustainability reporting in the public sector and provides some preliminary recommendations to address these. In this context, the aim of this knowledge product is to support international and national standard setters and regulators in their approach to implementing public sector sustainability reporting and to update practitioners on the trends in this area. This knowledge product represented a second of a series of joint knowledge products developed by PULSAR Program and Korean Institute of Public Finance (KIPF) in collaboration with

Zurich University of Applied Science (ZHAW).

This publication will be presented on the CFRR website in July.

Upcoming PULSAR 2 Program

The second phase of the Public Sector Accounting and Reporting (PULSAR 2) Program builds on the success of the original PULSAR program. The development objective of the PULSAR 2 program is to promote the adoption and strengthen implementation of national public sector accounting, financial and sustainability reporting (SR) practices, supported by digital technologies, to enable enhanced fiscal transparency, decision making, accountability, and improved investor confidence and efficiency in capital markets.


PULSAR 2 retains the structure and focus of the original program.

- **Component 1** supports awareness raising to promote the implementation of national public sector accounting, financial and sustainability reporting reforms.
- **Component 2** supports the design and implementation of national public sector accounting, financial and sustainability reporting reforms.
- **Component 3** supports the development of national education and training programs for public sector accountants and finance professionals.

More information on the new PULSAR 2 Program will follow soon.

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Let us know what you think

We hope you find this issue of the newsletter interesting and useful. Please let us (cfrr@worldbank.org) know if you have any comments or suggestions for topics that could be featured in future editions.