

Public Sector Accounting Reform Priorities in the EU Context Panel Discussion

PULSAR Launch Event
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Moderators:

Bonnie Ann Siros, Sr. Financial Management Specialist, CFRR, The World Bank
Iwona Warzecha, Sr. Financial Management Specialist, The World Bank



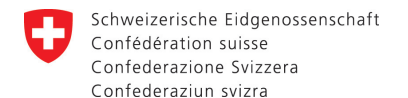
CFRR >>
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Reporting Reform



PULSAR 

Public Sector Accounting and Reporting Program

PULSAR Program is co-funded by:



Background -Improving Fiscal Transparency



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- **Fiscal shocks** - G20 calls for a focus on the public sector balance sheet to assess public debt sustainability and the need for improving transparency and comparability in public sector reporting
- **EC directive 2011/85/EU** on requirements for budgetary frameworks sets obligation to have in place reliable public accounting systems covering all sub-sectors of general government to generate accrual data for ESA 95 reporting. Those public accounting systems shall be subject to internal control and independent audits.
- **EC recommends development of EPSAS (European Public Sector Accounting Standards)** based on IPSAS for adoption by member states EPSAS working group created in Sept 2015

Fiscal Transparency, Accountability and Risk



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- Analysis of the nature and scale of fiscal shocks during the crisis – unanticipated increase of public debt 26,4% of GDP (2007-2010)
- Emergence of a business case for PFM improvement including financial and fiscal reporting
- BUT substantial shortcomings in fiscal transparency (including both budget transparency + assets, liabilities, contingent liabilities, risks):
 - Gaps and inconsistencies in fiscal transparency standards
 - Lags in governments' implementation of international accounting and statistical reporting standards

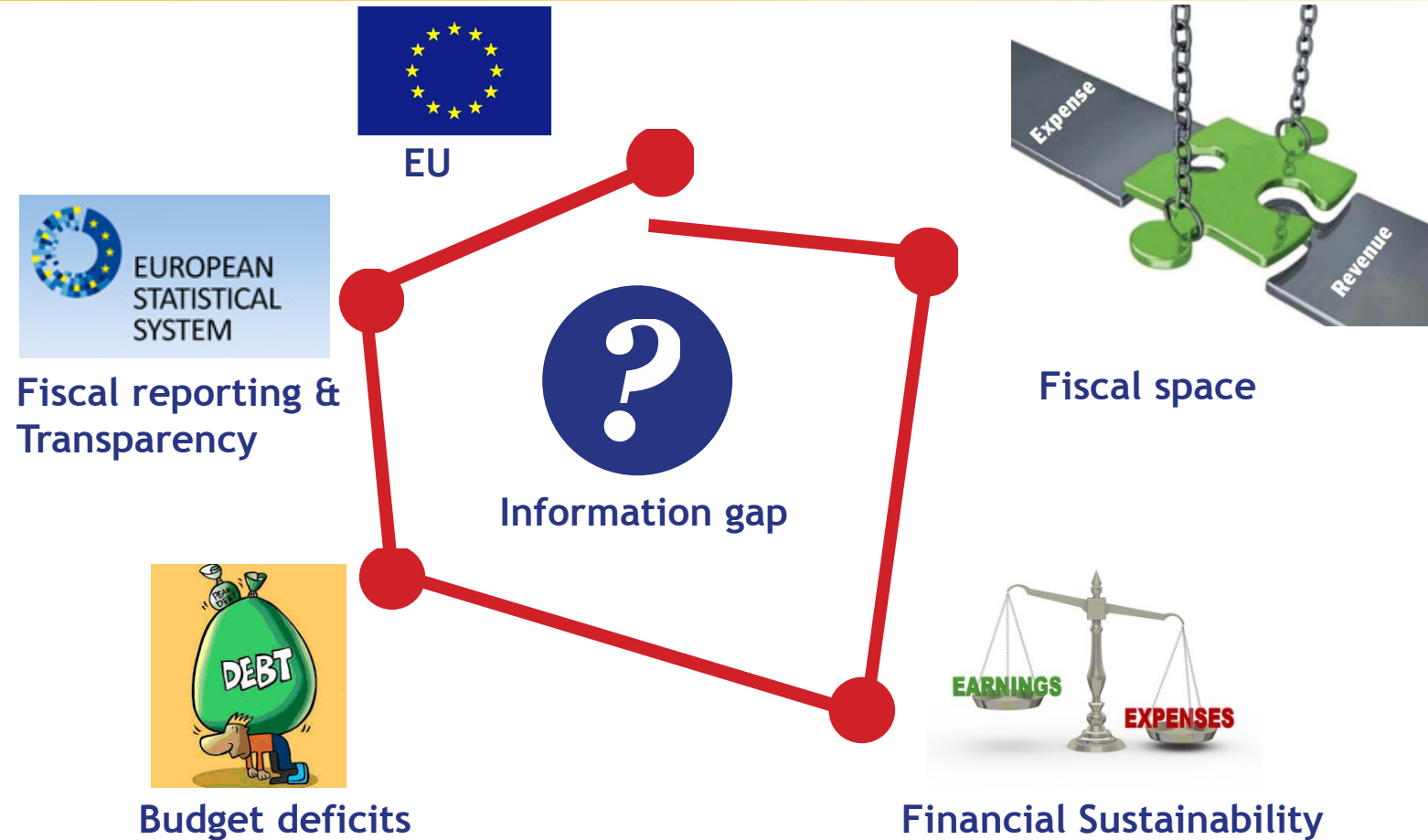
Fiscal Transparency, Accountability and Risk



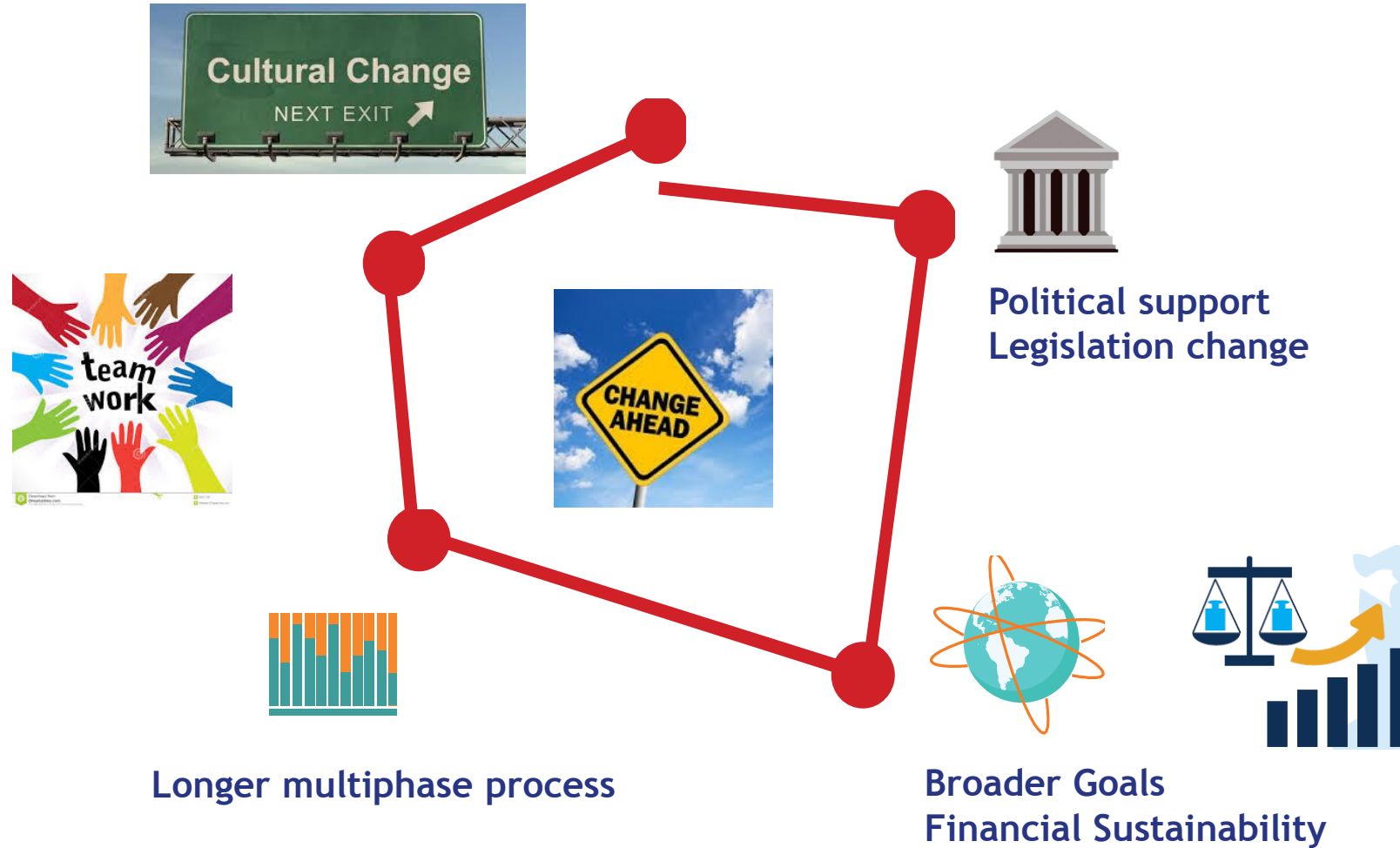
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- Strengthening fiscal transparency standards and practices through:
 - **Implementation of Standards** - IPSAS, GFSM, ESA, SNA
 - **Increased coverage** – focus on General Government but Public Corporations important (accrual practice is better in public corporations)

What are the real drivers of PSA reform



PSA reform supporting elements



Panel Discussion – Panelists



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- **Dritan Fino**, Director of Harmonization of Financial Management and Control, Ministry of Finance and Economy, **Albania**
- **Hana Zoričić**, Head of Department in the Sector for State Accounting and Non-Profit Organizations Accounting, Ministry of Finance, **Croatia**
- **Lyudmila Guryanova**, Deputy Head of the State Treasury, Ministry of Finance, **Belarus**
- **Tanja Mrkalj**, Coordinator for Financial Reporting and Methodology in the Sector for Budget Accounting and Financial Reporting of the Treasury Administration, Ministry of Finance, **Serbia**